



Army Benefits Center-Civilian



ABC-C FERS Overview

ABC-C AUTOMATED SYSTEMS

EBIS - Web Based

Advantages:

- Customer-friendly
- Available almost 24 hours a day
- Secure site
- Ability to read at convenience
- Ability to print screens of information
- Can process benefits transaction without counselor assistance
- Ability to print pending benefit forms



Disadvantages:

- No connection to a counselor
- Requires use of the Point of Entry security information
- Not everybody has access to a computer

ABC-C AUTOMATED SYSTEMS

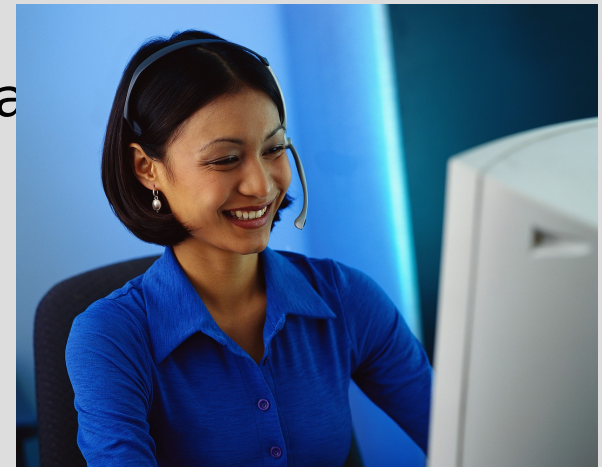
IVRS - Telephone

Advantages:

- Can connect with a counselor if needed
- Available to those without computer access
- Requires use of SSN and PIN only
- Can process benefit transactions without counselor assistance
- Can receive faxed back copies of documents (e.g. FEHB enrollment form, Info Sheets, etc.)
- Counselors are available 12 hours a day
- Available almost 24 hours a day

Disadvantages:

- Must listen to scripts



Counselor Assisted Calls

Interactive Voice Response System (IVRS)
TELEPHONE **1-877-276-9287**

1 January - 31 December 2004

93,067 Total Calls
00:53 Average Answer Time
09:32 Average Call Length
02:57 Average Wrap-Up Time

Peak Times are between 8:00 a.m. and 2:00 p.m.

**ABC-C Benefit Counselors are available from 6:00 a.m. to
6:00 p.m. CST.**

Production Summary

1 January - 31 December 2004

Family Death Actions

Post-56

Deposit/Redeposit

FEGLI

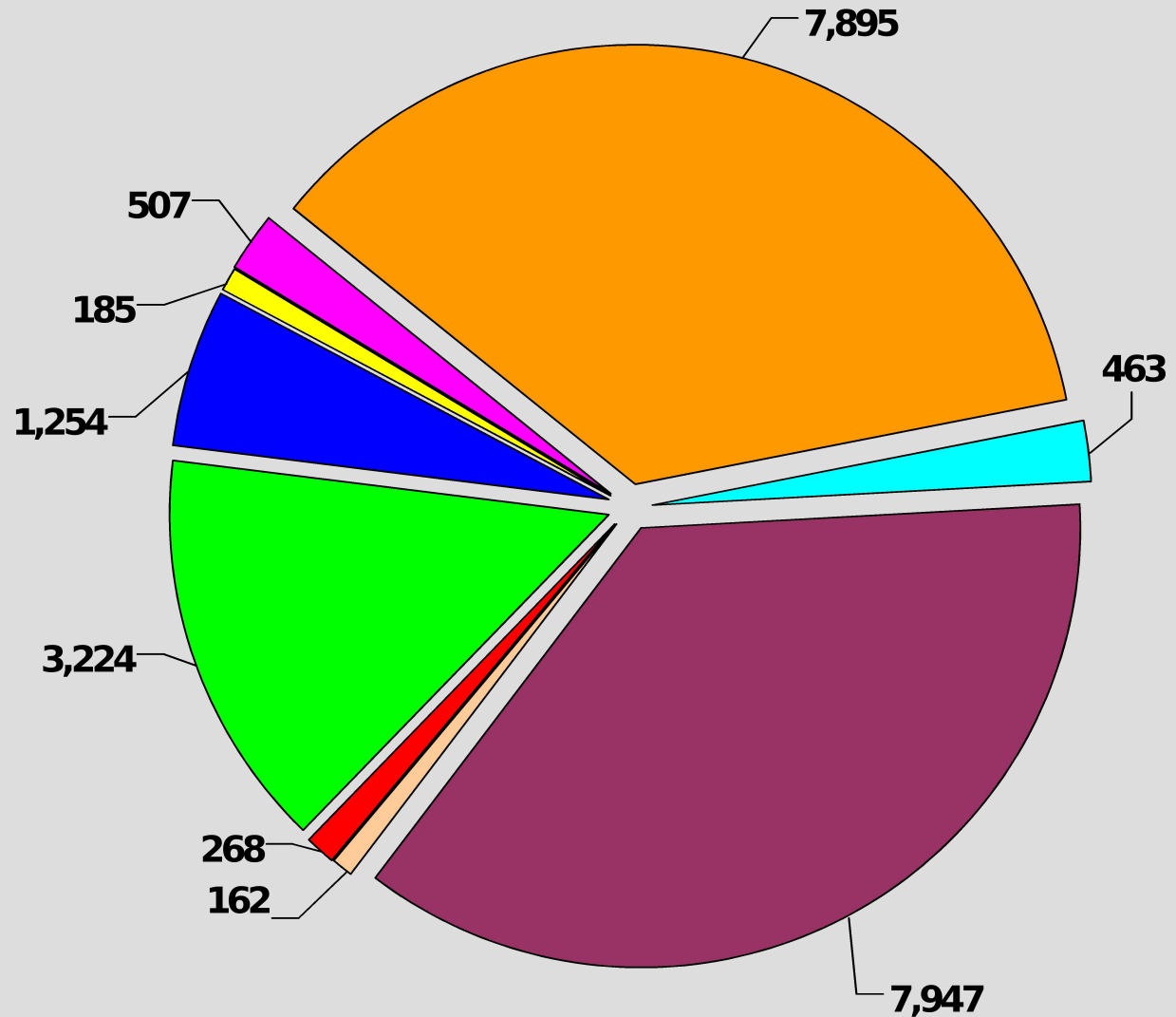
TCC

Retirements

Death Actions

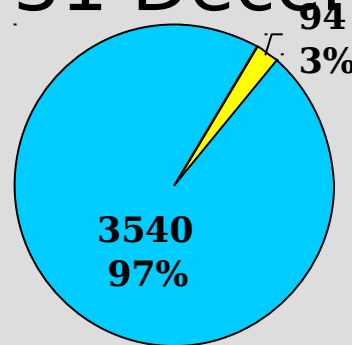
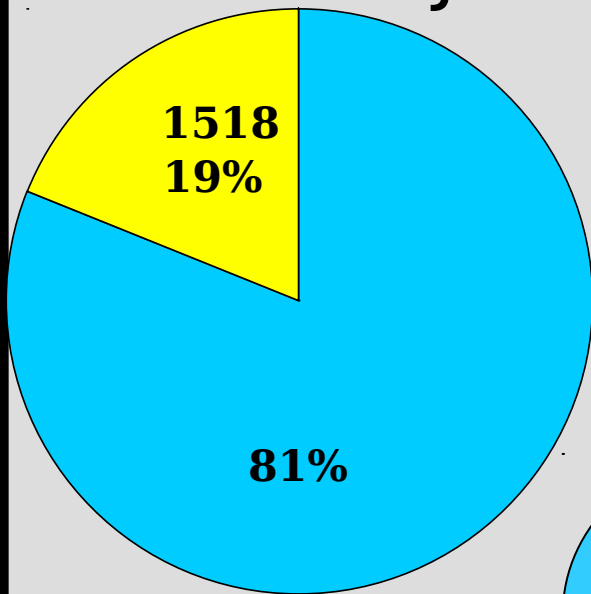
Estimates

TSP Make Up
Contributions

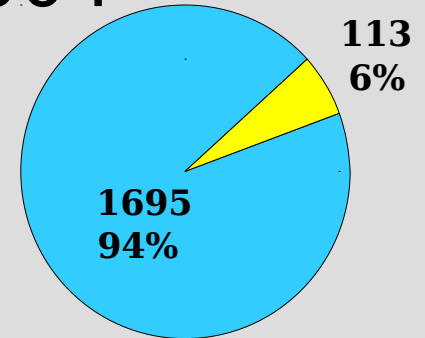


Non-Disability Retirements Payroll Suspense

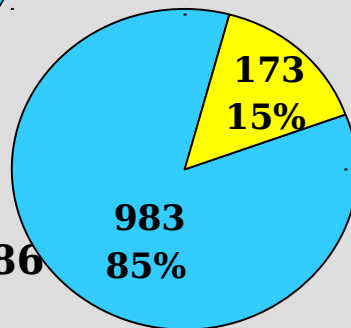
1 January - 31 December 2004



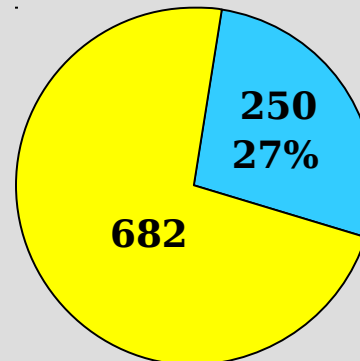
Ret. Rcvd More Than 60 Days: 3634



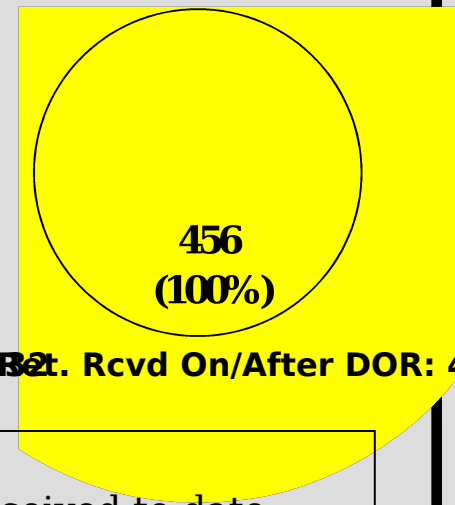
Ret. Rcvd 31-60 Days: 1808



Ret. Rcvd 16-30 Days:
1156



Ret. Rcvd 1-15 Days: 932



Ret. Rcvd On/After DOR: 456

Total Received: 7986
■ **Met**
■ **Did Not Meet**

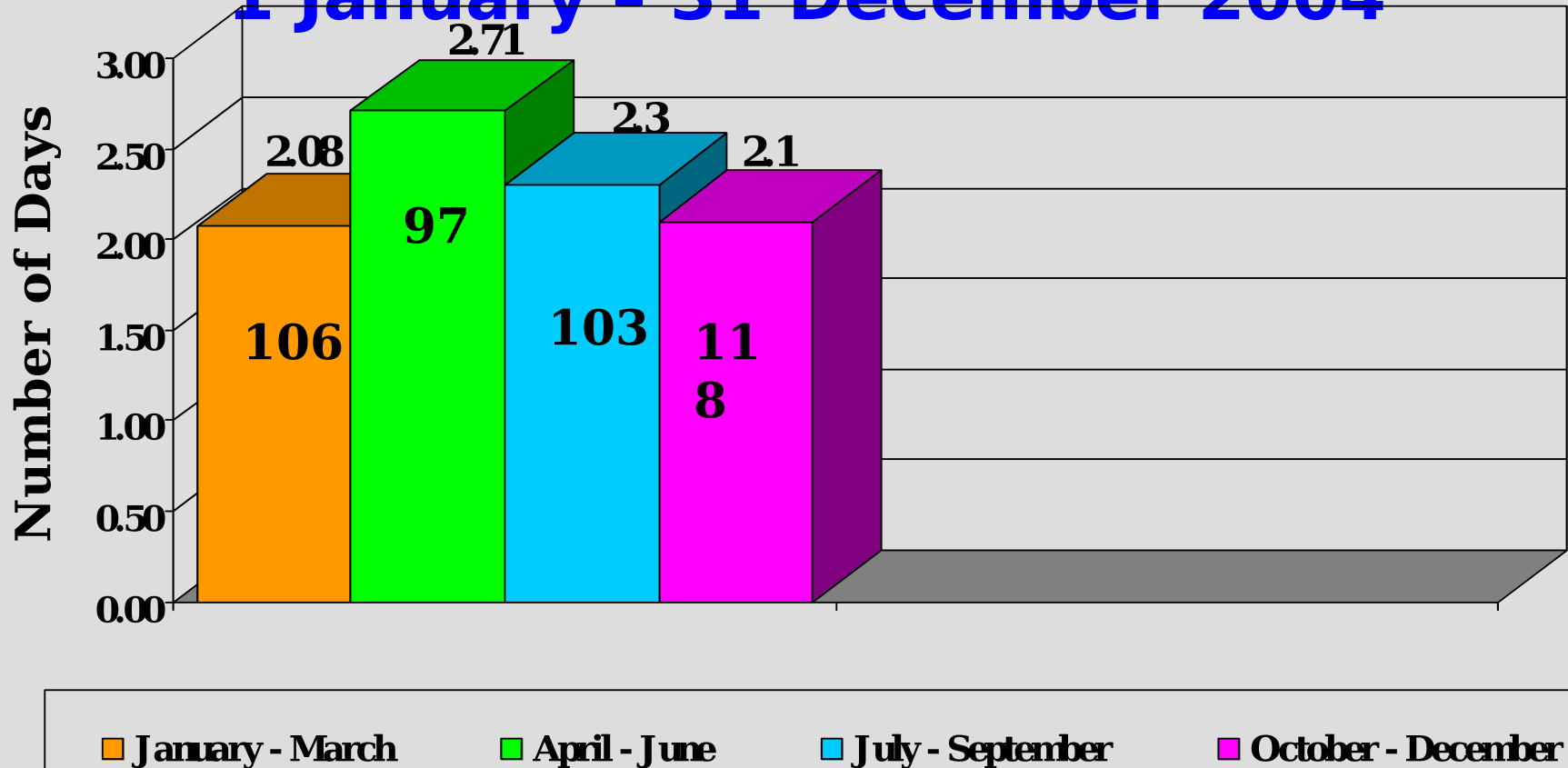
Army Goal: Submit to DFAS NLT 5 working days prior to DOR.

ABC-C calculates timeliness from date complete retirement package is received to date package submitted to DFAS.

ABC-C tracks calendar days.

Death Claim Turnaround Time

1 January - 31 December 2004

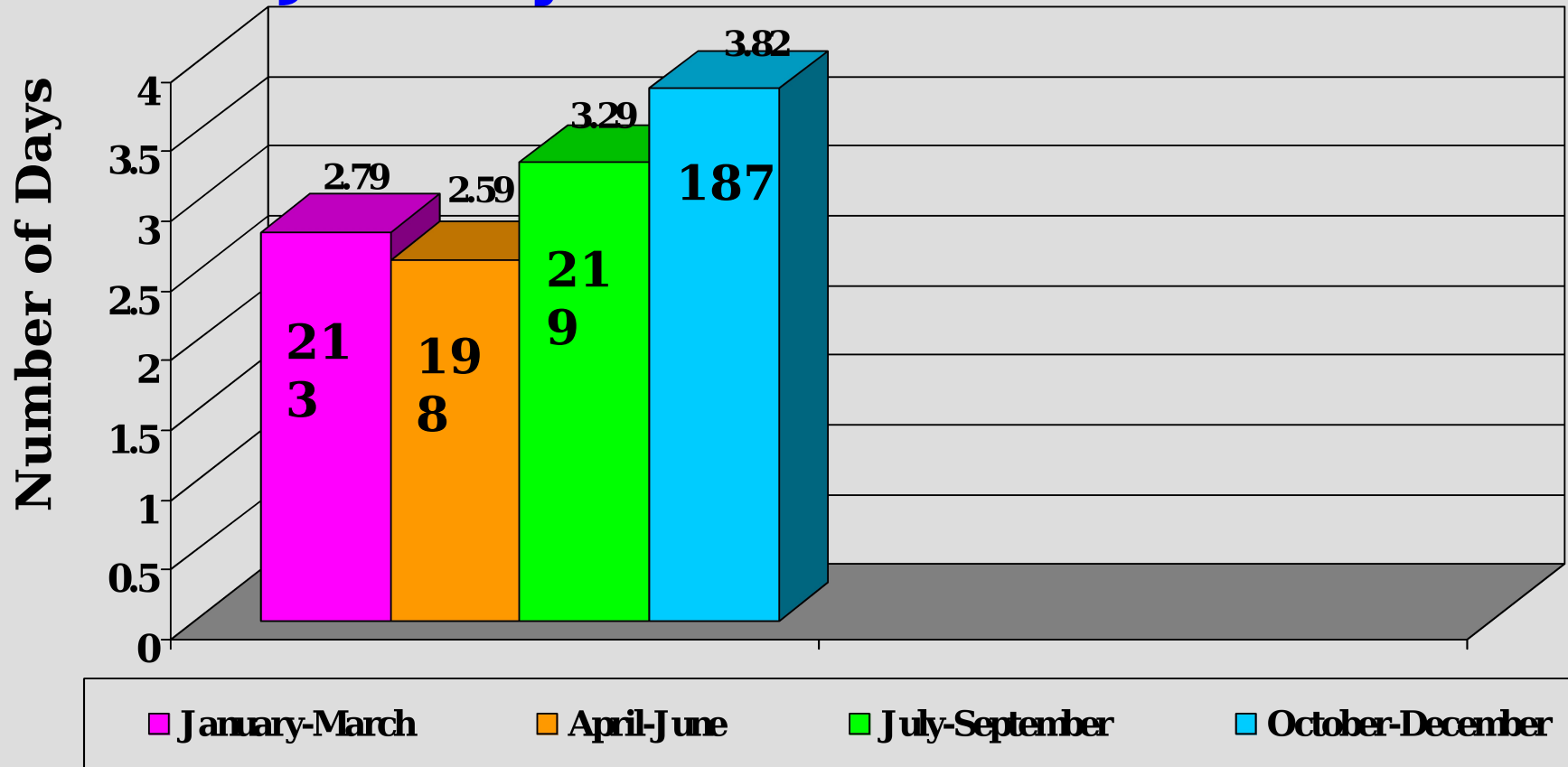


Army Goal: Death submitted to DFAS NLT 5 working days after date survivor signs and dates death benefits claims.

ABC-C tracks timeliness as date of OPF receipt to date Quick Pay is faxed to OPM for deaths processed under expedited procedures (or) date claim form is received from survivor to date claim form sent to DFAS for deaths processed under lump sum procedures. ABC-C tracks calendar days rather than working days.

Disability Claim Turnaround Time

1 January - 31 December 2004

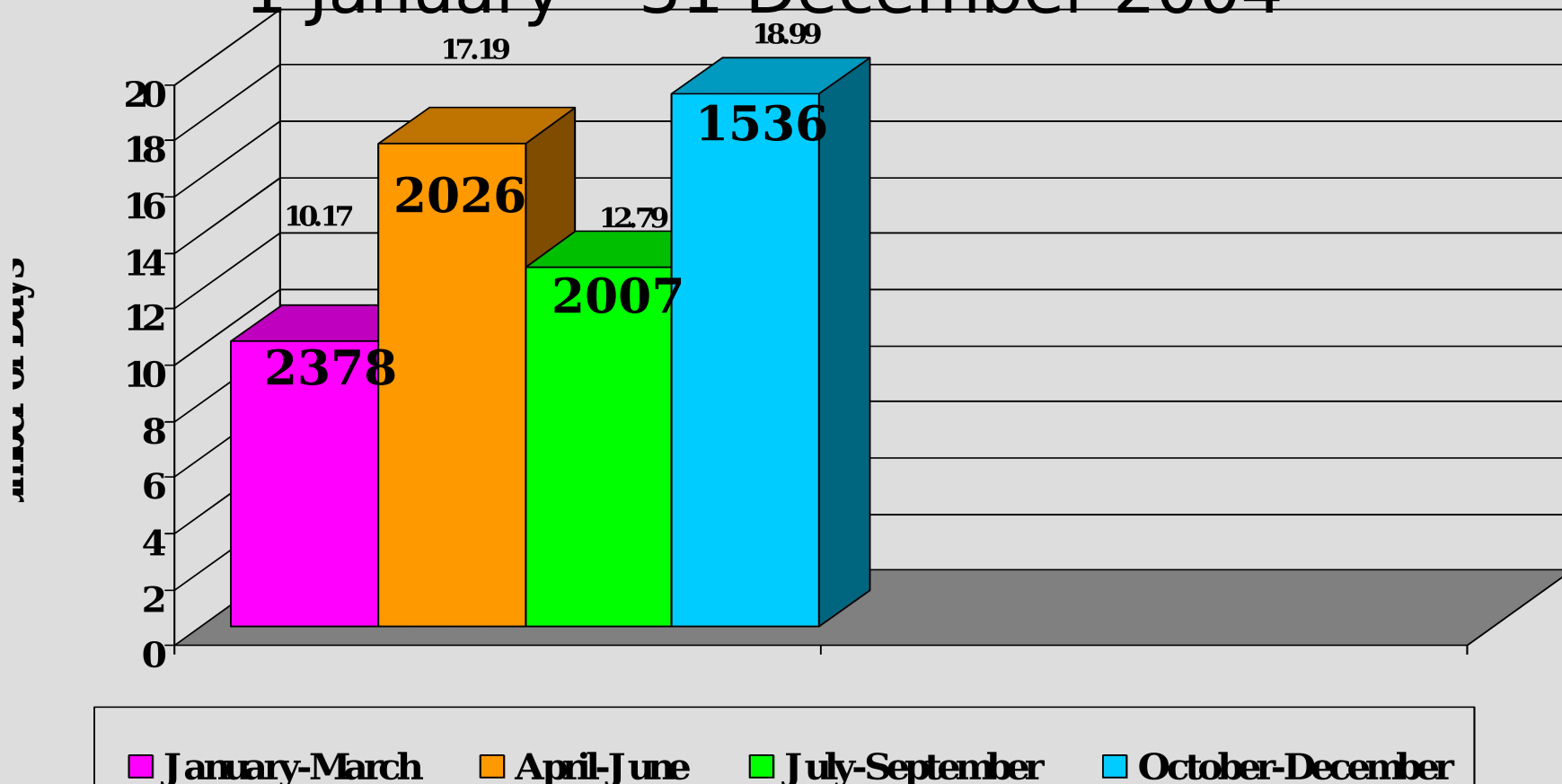


Army Goal: Submitted to DFAS NLT 5 working days following receipt of all documentation.

ABC-C tracks timeliness from date of receipt of OPF to date sent to payroll (or) date last item received in order to work the preliminary retirement package to date sent to payroll, whichever is later. ABC-C tracks calendar days rather than working days.

Retirement Estimate Turnaround Time

1 January – 31 December 2004



NOTE: These are requests for comprehensive retirement annuity printouts that aren't associated with an individual retirement package.

CHRA Goal: 14 days following receipt of estimate request

Continuing Challenges

- Last Minute VERA/VSIP approvals
- Late submission of retirement packages
 - Direct correlation between packages submitted less than 30 days of DOR and inability to meet timeliness goals
- Federal Erroneous Retirement Coverage Corrections Act (FERCCA)

Success Stories

- Counselor Wait Time
- Site Assistance Visits
- Partnership with DFAS
- Video Tele-Training (VTTs)
- Employee Retirement Guide
- New Employee Flyer
- Access for Separated Employees

ANY QUESTIONS?



FERS RETIREMENT OVERVIEW



ARMY

BENEFIT

S

CENTER —

CIVILIA

N

INTRODUCTION

ABC-C MISSION: Provides a full range of Benefits & Entitlements services to all appropriated fund Army employees world-wide through a centralized automated center.

ABC-C SERVICES: Provides advisory services and processes transactions for:

Federal Employees Health Benefits (FEHB)

Federal Employees Group Life Insurance (FEGLI)

Thrift Savings Plan (TSP)

Retirement (FERS & CSRS)

Survivorship (Death Claim Processing)

RETIREMENT DECISIONS



CIVILIAN SERVICE DEPOSIT/REFUND

FERS



What is Deposit Service?

- ◆ Any period of creditable service during which retirement deductions are not taken
- ◆ Generally, non-career time such as temporary or indefinite service
- ◆ Also known as non-deduction service



DEPOSIT SERVICE

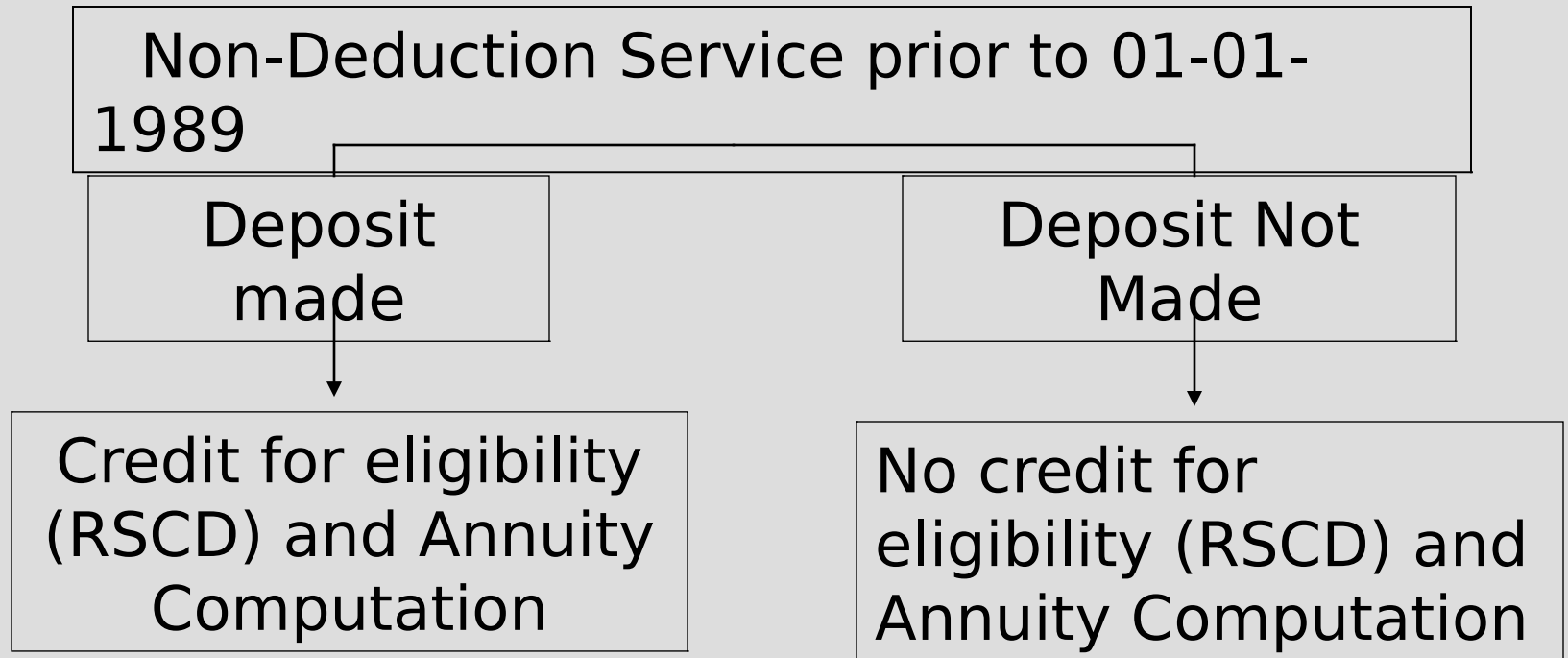
However, it can also be service that was not considered Federal employment at the time it was performed, but for which a subsequent change in law now allows credit for retirement annuity computation purposes.

Amount of Deposit:

***1.3 of earnings + Interest**
***Interest will vary depending upon the date service was performed**



FERS DEPOSIT SERVICE



Amount of Deposit: 1.3% of basic pay earned + interest

FERS with CSRS component, CSRS rules apply

FERS with no CSRS component, FERS rules apply

FERS DEPOSIT SERVICE

Non-Deduction Service on or after 01-01-89

**DEPOSIT NOT
ALLOWED**

No credit for Eligibility or Annuity Computation

FERS REFUNDED SERVICE

DEFINED AS: FERS Service for which
retirement contributions were refunded to
you



NO FERS REDEPOSIT ALLOWED!

Note:

- FERS with CSRS component, CSRS rules apply
- FERS with no CSRS component, FERS rules apply

MILITARY DEPOSIT

FERS



PRE 01-01-57 MILITARY SERVICE

No deposit required for creditable
military service performed prior
to 01-01-57



IT'S FREE!!

FERS CREDIT FOR POST-56 MILITARY SERVICE

IN RECEIPT OF MILITARY
RETIRED PAY

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graph TD; A[IN RECEIPT OF MILITARY RETIRED PAY] --> B[Based on Non - Combat Disability or Service]; A --> C[Based on Combat Disability or Chap 67, Title 10 (Reserves)]; B --> D[No Credit unless Military Retired Pay is waived]; C --> E[Must Pay to receive credit for Eligibility (RSCD) & Annuity Computation];
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Based on Non -
Combat Disability or
Service

No Credit unless
Military Retired Pay
is waived

Based on Combat
Disability or Chap 67,
Title 10 (Reserves)

Must Pay to receive
credit for Eligibility
(RSCD) & Annuity
Computation

POST-56 MILITARY SERVICE

Military Service
on/after 01-01-57

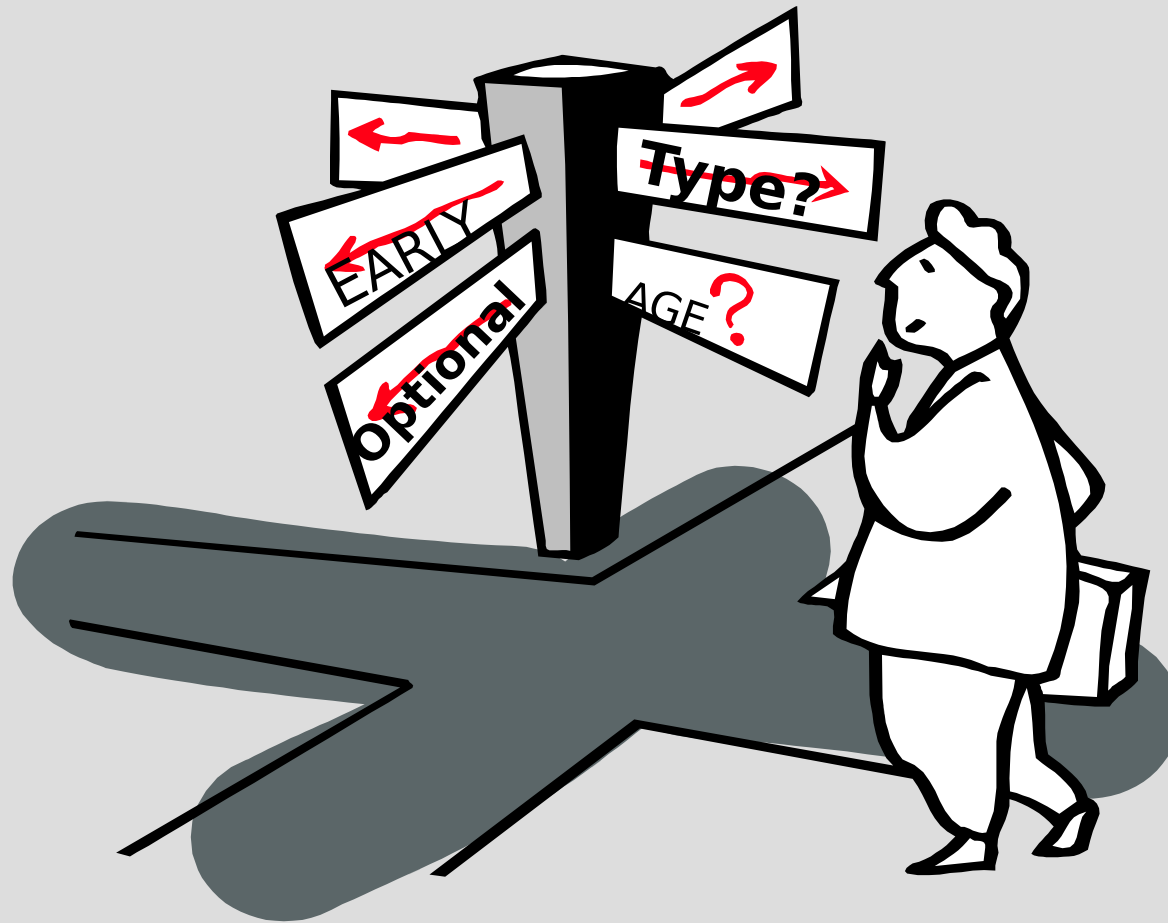


Must Pay to receive
credit for Eligibility
(RSCD) & Annuity
Computation

Amount of Deposit:

- 3% of basic pay earned + interest
- May vary by date
service was performed

RETIREMENT REQUIREMENTS



GENERAL ELIGIBILITY FOR RETIREMENT:

- Minimum Retirement Age (MRA) with 30 years service
 - 60 years of age with 20 years service
 - 62 years of age with 5 years service
- MRA with at least 10 years but not more than 30 years service:
 - 5% reduction for each year under age 62
 - Not entitled to Annuity Supplement

***Best Day to Retire: Last Day of the Month**

MINIMUM RETIREMENT AGE (MRA + 10)

POSTPONING RETIREMENT BENEFIT

- Reduce or eliminate the 5% age reduction
 - FEHB and FEGLI coverage may prospectively reinstated
- **Must have been eligible to continue coverage into**
- Sick leave will be used in the computation of the CSRS annuity component

MRA + 10

**IF YEAR OF
BIRTH IS...**

**THE MINIMUM
RETIREMENT AGE IS...**

BEFORE 1948

55

1948

55 & 2 MONTHS

1949

55 & 4 MONTHS

1950

55 & 6 MONTHS

1951

55 & 8 MONTHS

1952

55 & 10 MONTHS

1953-1964

56

1965

56 & 2 MONTHS

1966

56 & 4 MONTHS

1967

56 & 6 MONTHS

1968

56 & 8 MONTHS

1969

56 & 10 MONTHS

1970 & AFTER

57

NOTE: SINCE EMPLOYEES BORN IN 1948 DO NOT REACH AGE 55
UNTIL 2003, THE MRA UNTIL THAT DATE IS 55

EARLY RETIREMENTS

VOLUNTARY / INVOLUNTARY

Early Out (VERA / Voluntary)

OR

Discontinued Service (DSR / Involuntary)

- **Age 50 with at least 20 or more years of service ***

- **Any age with at least 25 years of service***

***Must include five (5) years creditable civilian service**

EARLY RETIREMENTS

VOLUNTARY / INVOLUNTARY

No age reduction under FERS for early retirement**

****Unless employee has a CSRS component, CSRS portion of annuity will be reduced 2% each full year under age 55**

**NOTE: You will receive the FERS Annuity Supplement if you retire at or after your MRA
OR once you reach your MRA**

FERS ANNUITY SUPPLEMENT

An estimated amount of Social Security benefits earned during FERS service which is paid until age 62 to those retiring and are entitled to an immediate unreduced annuity

FERS Annuity Supplement

Eligibility:

- ◆ Has at least 1 calendar year of FERS service and
- ◆ Retires with an immediate annuity...
 - ◆ At or after MRA with 30 years
 - ◆ At age 60 with 20 years of service
 - ◆ At or after MRA under Early/DSR Retirement provisions (major RIF, reorganization)
 - ◆ Under Special Provisions (i.e., FF, LEO, etc.)

FERS ANNUITY SUPPLEMENT

Duration of Retiree Annuity Supplement

Payable through the earlier of the following dates:

- ◆ Last day of the month the retiree becomes age 62

OR

- ◆ Last day of the month before the first month retiree is entitled to Social Security benefits

FERS ANNUITY SUPPLEMENT

Individuals NOT Eligible for Annuity Supplement

- Disability Retiree
- MRA + 10 provision
- Deferred Annuity
- Retiring at age 62 or older

DEFERRED RETIREMENT

If you leave Federal service before meeting age and service requirements to retire:

You may receive a deferred annuity at age 62 with at least 5 years of creditable service

Note:

--FERS Annuity Supplement is not payable.

--Your application for retirement is sent directly to OPM.

DEFERRED RETIREMENT

You may receive a deferred annuity IF:

- ◆ You are not eligible for an immediate annuity within 1 month of separation; and
- ◆ You meet the minimum 5 years of creditable civilian service requirement at time of separation; and
- ◆ You do not take a refund of retirement deductions after separating from Federal service.

FEDERAL EMPLOYEES RETIREMENT SYSTEM

AGE

TOTAL SERVICE

Date of Retirement

Date of Retirement

- Date of Birth

- Retirement SCD

Age at Retirement
Service

Length of

UNUSED SICK LEAVE

For individuals covered by FERS:

- ◆ No credit for any unused sick leave

For an employee who has transferred to FERS with a Civil Service component:

- ◆ The amount of sick leave credited is the lesser of:

Sick leave balance on date of transfer to FERS

--OR--

Sick leave balance on date of retirement

RETIREMENT ANNUITY COMPUTATION (FERS)

FORMULA FOR COMPUTING ANNUITY FOR VOLUNTARY RETIREMENT:

High-3 avg salary X 1.0% X years and months of service

High-3 avg salary X 1.1% X years and months of
service
if employees are age 62 with 20+ yrs service

REDUCTIONS & DEDUCTIONS

REDUCTIONS:

- Age Reduction (MRA+10)
CSRS Component (VERA/DSR)
- Deposit Service
- Election of Survivor Benefits
- Redeposit Service for CSRS
component

REDUCTIONS & DEDUCTIONS

DEDUCTIONS:

- Health Benefits
- Life Insurance
- Federal Income Taxes
- State Tax (If applicable)

FERS SURVIVOR ELECTIONS AVAILABLE

Types of Survivor Elections:



CURRENT Spouse
Survivor Annuity ---Full
(50% of your annuity)



FORMER Spouse
Survivor Annuity ---Full
(50% of your annuity)



Combination Current /
Former Spouse Survivor
Annuity



Insurable Interest
Survivor Annuity



CURRENT Spouse
Survivor Annuity
--Partial (25% of your
annuity)



FORMER Spouse
Survivor Annuity
---Partial (25% of your
annuity)



Self Only annuity
(No survivor
benefit)

SURVIVOR BENEFIT COST & REDUCTION

Full/Max (50%) will cost = 10% of Annuity

Example:

Basic Annuity = \$12,000

$\$12,000 \times 10\% = \underline{\quad 1,200 \quad}$ yearly
cost

Annuity after reduction = \$10,800 yearly
annuity

*Survivor will receive 50% of annuity = 44

\$6,000

SURVIVOR BENEFIT COST & REDUCTION

Partial Annuity (25%) will cost = 05% of Annuity

Example:

Basic Annuity = \$12,000

$\$12,000 \times 05\% = \underline{\quad 600 \quad}$ yearly
cost

Annuity after reduction = \$11,400 yearly
annuity

45

*Survivor will receive 25% of annuity =

DISABILITY RETIREMENT FERS

- ◆ Definition of disability – unable to render useful & efficient service because of disease or injury
- ◆ Must be in a position covered by FERS
- ◆ Minimum of 18 months creditable civilian service
- ◆ Disability annuity IS subject to federal tax

DISABILITY RETIREMENT FERS

- ◆ Not eligible for FERS supplemental annuity
- ◆ Required to apply for Social Security benefits
- ◆ Submit all forms for regular retirement

PLUS:

- SF 3112A - Applicant's Statement of Disability
- SF 3112B - Supervisor's Statement
- SF 3112C - Physician's Statement
- SF 3112D - Agency Certification of Reassignment and Accommodation Efforts

DEATH-IN-SERVICE FERS

- ◆ If you die while still an active employee, your survivor **MAY** be entitled to death benefits
- ◆ In the event of your death, your survivor needs to contact the local Civilian Personnel Advisory Center (CPAC)
- ◆ CPAC will contact ABC-C
- ◆ An ABC-C counselor will contact the survivor within 24 hours

NON-APPROPRIATED FUND (NAF) RETIREMENT PROCESSING

NAF Retirement System - Contact nearest NAF office

FERS Retirement Plan - Contact the ABC-C



**PERSONNEL PROFESSIONALS IN
PARTNERSHIP**

FEHB & RETIREMENT

Self Only



**Self &
family**

Additional Information:
[**www.opm.gov/insure/health**](http://www.opm.gov/insure/health)

OPM Tel: 1-888-767-6738

FEHB & RETIREMENT

Continuation into Retirement

- ◆ **Retires on an immediate annuity**
- ◆ **Be insured on the date of retirement**
- ◆ **Covered for the 5 years of service prior to retirement
or since your FIRST opportunity to enroll**
- ◆ **Coverage as a family member under FEHB
or CHAMPUS/TRICARE counts towards 5
year requirement, however, (employee must
be enrolled in FEHB prior to retirement)**

FEHB & RETIREMENT

Continuation into Retirement

- Requirements for automatic waiver during Agency Buyout Period
- Enrolled continuously since December 30, 2003 **or** the beginning date of an agency's latest statutory buyout authority
- Employee(s) must:
 - Retire during the agency's statutory buyout period; **and**
 - Receive a buyout under the agency's statutory buyout period; **or**
 - Take Early Optional Retirement as a result of above; **or**
- Take a Discontinued Service Retirement (DSR) based on an involuntary separation due to RIF, directed reassignment, reclassification to a lower grade, or abolishment of position

FEGLI & RETIREMENT



Additional Information:
www.opm.gov/insure/life
**OPM Tel: 1-888-767-
6738**

FEGLI & RETIREMENT

Continuation into Retirement

- ◆ **Retires on an immediate annuity**
- ◆ **Be insured on the date of retirement**
- ◆ **Covered for the 5 years of service prior to retirement
or since your FIRST opportunity to enroll**
- ◆ **Election Form: SF-2818, Continuation of Life Insurance Coverage**

FEGLI & RETIREMENT

Basic Life Insurance - OPTION #1

75% Reduction

Basic Insurance Amount (BIA) is based on your final annual salary rounded up, plus \$2,000.

Example: $\$36,400 = \$37,000 + \$2,000 = *$
 $\$39,000$

Before age 65

BIA x .3250 (per \$1,000)

Example:

$39 \times .3250 = \$12.68$ / month

After age 65

NO COST

Coverage reduces 2% per month for 37.5 months until it reaches a final value of \$9,750.

FEGLI & RETIREMENT

Basic Life Insurance - OPTION #2

50% Reduction

Basic Insurance Amount (BIA) is based on your final annual salary rounded up, plus \$2,000.

Example: $\$36,400 = \$37,000 + \$2,000 = *$
\$39,000

Before age 65

BIA x .9250 (per \$1,000)

Example:

$39 \times .9250 = \$36.08$ / month

After age 65

BIA x .6000 (per \$1,000)

$39 \times .6000 = \$23.40$ / month

Coverage reduces 1% per month for 50 months until it reaches a final value of **\$19,500.**

FEGLI & RETIREMENT

Basic Life Insurance - OPTION #3

NO Reduction

Basic Insurance Amount (BIA) is based on your final annual salary rounded up, plus \$2,000.

Example: $\$36,400 = \$37,000 + \$2,000 = *$
 $\$39,000$

Before age 65

BIA x 2.1550 (per \$1,000)

Example:

$39 \times 2.1550 = \$84.05/\text{month}$

After age 65

BIA x 1.8300 (per \$1,000)

$39 \times 1.8300 = \$71.37/\text{month}$

Coverage DOES NOT reduce

FEGLI & RETIREMENT

OPTION A - STANDARD COVERAGE

\$10,000

Age Group	Monthly Cost
Under	\$0.65
35 thru 39	\$0.87
40 thru 44	\$1.30
45 thru 49	\$1.95
50 thru 54	\$3.03
55 thru 59	\$5.85
60 thru 64	\$13.00
65 & above	NO COST

*At Age 65 coverage reduces by 2% per mth for 37.5
mths until it reaches \$2,500

FEGLI & RETIREMENT

OPTION B - Additional Coverage (1--5 Multiples of Pay)

Example: Annual Salary \$36,400. 1x Multiple elected =

*\$37,000

Age Group	Cost per \$1,000	Monthly
Cost		
Under 35	\$0.065	\$ 2.41
35 thru 39	\$0.087	\$ 3.22
40 thru 44	\$0.130	\$ 4.81
45 thru 49	\$0.195	\$ 7.22
50 thru 54	\$0.303	\$ 11.21
55 thru 59	\$0.607	\$ 22.46
60 thru 64	\$1.300	\$ 48.10
65 thru 69	\$1.560	\$ 57.72
70 thru 74	\$2.600	\$ 96.20
75 thru 79	\$3.900	\$144.30
80 & above	\$5.200	\$192.40

FULL Reduction: At age 65, no cost & coverage reduces by 2% per month for 50 months at which time coverage ends

NO Reduction: Coverage and premium continues

FEGLI & RETIREMENT

OPTION C - Family Coverage 1 to 5

Example: Spouse = \$5,000 (1x Multiple) / Each Child = \$2,500 (1x)

Age Group	Cost per Multiple	Monthly Cost
Under 35	\$ 0.59	\$ 0.59
35 thru 39	\$ 0.74	\$ 0.74
40 thru 44	\$ 1.00	\$ 1.00
45 thru 49	\$ 1.30	\$ 1.30
50 thru 54	\$ 1.95	\$ 1.95
55 thru 59	\$ 3.14	\$ 3.14
60 thru 64	\$ 5.63	\$ 5.63
65 thru 69	\$ 6.50	\$ 6.50
70 thru 74	\$ 7.37	\$ 7.37
75 thru 79	\$ 9.75	\$ 9.75
80 & above	\$13.00	\$ 13.00

FULL Reduction: At age 65, no cost & coverage reduces by 2% per month for 50 months at which time coverage ends

NO Reduction: Coverage and premium continues

TSP & RETIREMENT



**TSP Service Office
National Finance
Center P.O. Box
61500
New Orleans, LA 70161-
1500**

**Automated (Toll Free):
1-877-968-3778
Monday through Friday
7:00 a.m. - 9:00 p.m. ET**

TSP & RETIREMENT

OPTIONS:

- ◆ Automatic cashout (accounts less than \$200)
- ◆ Leaving money in the TSP
- ◆ Partial Withdrawal of at least \$1,000 (one time in career)
- ◆ Full Withdrawal
 - Single payment
 - Monthly payments
 - Life annuity
- ◆ Mixed Withdrawal

HOW TO APPLY:

**TSP-70 FORM -
Withdrawal Request**

TSP Catch-Up Contributions

- ◆ Open to TSP participants age 50 or older.
- ◆ Not eligible for agency automatic 1% matching contribution
- ◆ First opportunity to elect for 2005 is 28 November 04 to be effective 12 December 04
- ◆ Limited to \$4,000 for year 2005
 - Must make new election each year

Elections made via:

EBIS at <https://www.abc.army.mil>

IVRS at 1-877-276-9287

LONG TERM CARE INSURANCE (LTC)

**Want to talk with a Certified Long Term
Care Insurance Consultant?**

**Tel: 1-800-LTC-FEDS (1-800-
582-3337)**

TTY: 1-800-843-3557

Mon - Fri 8 a.m. - 8 p.m. EST

Sat 9 a.m. - 5 p.m. EST

**Closed Sun and Federal
holidays**

<http://www.ltcfeds.com>

**Offered by: John Hancock
MetLife**

FLEXIBLE SPENDING ACCOUNTS (FSA)

**To receive more information regarding FSAs,
please contact a SHPS counselor.**

Email: FSAFEDS@shps.net

Telephone: 1-877-FSAFEDS (372-3337)

TTY: 1-800-952-0450

- **Mon-Fri 9AM-9PM Eastern Time**
- **Closed Weekends and Holidays**
- **<http://www.fsafeds.com>**

DESIGNATION OF BENEFICIARY

- Order of Precedence:

- Court Order
- Designation of Beneficiary
- Widow or Widower
- Children (and/or descendants of deceased children)
- Parents
- Executor or administrator of estate
- Next of kin



ABC-C RETIREMENT PROCEDURES & PROCESS

180 days prior to retirement:

- ◆ Contact the ABC-C for retirement estimate & information

120-180 days prior to retirement:

- ◆ Download forms from ABC-C website, or contact ABC-C for forms
- ◆ Call ABC-C with questions on retirement estimate

- ◆ Call ABC-C for help with the retirement forms

90-120 days prior to retirement:

- ◆ Mail retirement forms to ABC-C



ABC-C RETIREMENT PROCEDURES & PROCESS

ABC-C receives your retirement package:

- ◆ Sends letter acknowledging receipt
- ◆ Does quick review of retirement package
- ◆ Sends letter requesting missing forms

30-60 days prior to retirement:

- ◆ Requests Official Personnel File (OPF)
- ◆ Retirement package assigned to counselor

ABC-C RETIREMENT PROCEDURES & PROCESS

ABC-C retirement counselor:

- ◆ Reviews OPF for service history
- ◆ Thoroughly reviews retirement package for missing, incomplete, incorrect forms
- ◆ Contacts you about missing forms
- ◆ Contacts you for final retirement

2 - 4 weeks prior to retirement:

- ◆ Retirement package processing is completed
- ◆ Retirement package is mailed to payroll

ABC-C RETIREMENT PROCEDURES & PROCESS

2-4 weeks after retirement date:

- ◆ Final paycheck is received
- ◆ Lump sum annual leave is paid
- ◆ Lump sum VSIP is paid
- ◆ Bi-weekly VSIP payments begin



8-10 weeks after retirement:

- ◆ Receive 1st INTERIM payment
- ◆ Receive letter from OPM with CSA number

**Office of Personnel
Management Retirement
Operations Center P.O. Box
45
Boyers, PA 16017**

www.opm.gov

email: retire@opm.gov

Tel: 1-888-767-6738

**Social Security
Administration**

www.ssa.gov

www.medicare.gov

Tel: 1-800-

772-1213

IRS Publication 721

www.irs.gov

Tel: 1-800-Tax-

FOR ADDITIONAL RETIREMENT INFORMATION

CONTACT THE ABC-C

- ◆ ***Toll Free 1-877-276-9287***
- ◆ ***Hearing Impaired TDD 1-877-276-9833***
- ◆ ***Counselors available from 6 a.m. - 6 p.m. (CT)***
- ◆ ***Web site: <https://www.abc.army.mil>***

ANY QUESTIONS?

